'Modern Maturity' wins top spot in circulation

By IRA TEINOWITZ

Modern Maturity has zoomed past *TV Guide* and *Reader's Digest* to become the largest paid-circulation magazine in the U.S.

It took the title with a circulation gain of more than 1 million subscribers this year, according to the latest Audit Bureau of Circulations FAS-FAX report.

The publication of the American Association of Retired Persons, whose subscription cost is included in AARP's $5 membership fee, saw circulation average 17,924,783 for the six months ended June 30, a 12.1% increase from a year earlier.

At the end of December, *Modern Maturity's* 16,734,801 circulation put it second, behind *TV Guide's* 16,939,260 circulation and just ahead of *Reader's Digest's* 16,566,650, and its growth was spawning imitators (AA, June 13).

Modern Maturity's rate base is 17.4 million now. Gail Schwandner, special assistant to the director of AARP's publications division, said the magazine will delay any increase in rate base till the start of 1989.

Reader's Digest's 0.7% circulation rise to 16,964,226, due to a 25% boost in single-copy sales, was enough to help the publication eclipse *TV Guide* for the first time in a year, the Audit Bureau reported.

TV Guide, being sold to Rupert Murdoch's News Corp. (AA, Aug. 15), saw circulation slide 2.1% to 16,917,545 as a 3% subscription increase was more than outweighed by a 7.6% drop in single-copy sales.

In January, *TV Guide* raised its cover price to 75¢ from 60¢. The magazine has a rate base of 16.4 million and will raise rates 5% effective with the Sept. 3 issue.

The Audit Bureau also reported spotty results for the Seven Sisters women's service magazines.

While Meredith Corp.'s *Better Homes & Gardens* and Hearst Corp.'s *Redbook* showed circulation gains, other magazines reported decreases. *Better Homes* rose 0.7% to 8,152,478, mostly due to a 6.6% increase in single-copy sales. *Redbook*, down 1.9% in subscriptions, was up 1.7% overall to 4,007,564 because of a 17.7% increase in single-copy sales.

But the New York Times Group's *Family Circle* saw circulation drop 1.6% overall to 5,900,794 as a hefty 131.4% increase in subscriptions was balanced by a 20.1% drop in single-copy sales. *Family Circle* is slated to raise its cover price from 99¢ to $1.09 on Oct. 11.

Charles Townsend, senior VP-publisher, said the single-copy decline was part of a conscious effort to provide a more consistent circulation and reduce sharp swings. *Family Circle* cut its rate base last fall to 6 million, then to 5.7 million in January. The magazine will cut its rate base to 5.5 million effective in January but keep its current rates, effectively increasing its cost per thousand.

McCall's, which saw the biggest circulation decline among the Seven Sisters—a drop of 3.8% to 5,146,554—lost both single-copy sales and subscriptions. The changes resulted from an increase in subscription rates and *McCall's* desire to move closer to its 5 million rate base, said Nancy Joseph, circulation general manager.

Woman's Day showed a 2.4% drop in circulation overall to 5,138,280, despite a 40.8% increase in subscriptions.

Hearst's *Good Housekeeping* dropped 2.9% to 5,027,865. Single-copy sales dropped 10%, more than offsetting a 0.5% subscription increase. Similarly, Meredith's *Ladies' Home Journal* dropped 0.6% to 5,013,761 as a 0.4% increase in subscriptions was offset by a 4.6% decline in single-copy sales.

Other women's magazines also reported spotty results. *Cosmopolitan's* circulation rose 5.2% to 3,013,759 as both subscriptions and single-copy sales went up. But *Glamour* saw circulation decline 5.2% to 2,130,148.

On the men's side, *Playboy* saw circulation fall 7.3% to 3,405,786 as a 32.2% drop in single-copy sales more than balanced a circulation increase. Magazine officials, however, said record sales of a Vanna White pictorial in the May 1987 issue may have accounted for the differences. *Penthouse* saw circulation drop 8.8% to 2,053,080, led by a 9.3% decline in single-copy sales.

The latest report had good news for the news magazines, with *Time*, *Newsweek* and *U.S. News & World Report* all reporting circulation increases. *Time* was up 0.8% to 4,737,912 despite a 7% decline in newsstand sales. *Newsweek* grew 4.2% to 3,315,369 as both newsstand sales and subscriptions increased. *U.S. News* reported a 0.6% increase to 2,365,930 as subscriptions and single-copy sales also rose.

Time Inc.'s other publications also did well. *Life* reported what may be its strongest subscription circulation since the 1950s, with subscriptions increasing 18.1% to nearly 1.2 million and circulation advancing 10.8% to 1,866,042. *People* increased 13.3% to 3,277,839. Supermarket tabloids *National Enquirer* and *Star* both showed circulation dropping, with the *Enquirer* down 3.5% and the *Star* down 3.2%.

The report traditionally ignores Sunday magazines such as *Parade*, distributed free with newspapers. *Parade's* weekly circulation is put at 32,648,000.#

Top 25 consumer magazines

Publication	Avg. circ. 1st six months of '88	% change
Modern Maturity	17,924,783	+12.1%
Reader's Digest	16,964,226	+0.7
TV Guide	16,917,545	−2.1
National Geographic	10,516,837	+0.5
Better Homes & Gardens	8,152,478	+0.7
Family Circle	5,900,794	−1.6
McCall's	5,146,554	−3.8
Woman's Day	5,138,280	−2.4
Good Housekeeping	5,027,865	−2.9
Ladies' Home Journal	5,013,761	−0.6
Time	4,737,912	+0.8
Guideposts	4,371,861	+0.8
National Enquirer	4,303,631	−3.5
Redbook	4,007,564	+1.7
Star	3,623,058	−3.2
Sports Illustrated	3,438,296	+9.2
Playboy	3,405,786	−7.3
Newsweek	3,315,369	+4.2
People	3,277,839	+13.3
Cosmopolitan	3,013,759	+5.2
Prevention	2,975,149	+4.2
Scholastic	2,845,484	−0.4
American Legion	2,728,543	+0.6
U.S. News & World Report	2,365,930	+0.6
Southern Living	2,281,707	−0.1

Source: Audit Bureau of Circulations.

Murdoch faces 'TV Guide' ad battle

By IRA TEINOWITZ

If some of the nation's largest newspapers have their way, Rupert Murdoch will be buying a *TV Guide* that faces increased competition for the ad dollars of the broadcast networks and program suppliers.

Tribune Media Services last week announced it will join Western States Associates to create TV Week Network and sell space in 33 newspaper TV magazines.

In so doing, Tribune Media made little secret that cutting into *TV Guide's* ad revenues from program suppliers is the venture's main goal.

"We want to provide an alternative to *TV Guide*," said Robert Reed, president of Tribune Media Services, a unit of Tribune Co. "Our mission from the newspapers is that they want us to go after broadcast category advertising, the networks, cable networks and syndicators.

"We estimate that there is $65 million to $70 million [in broadcast advertising] in *TV Guide* and none of that money is spent in newspapers at the national level."

The 33 newspapers in 28 markets include Tribune Co.'s *Chicago Tribune*, *New York Daily News*, *Orlando* (Fla.) *Sentinel* and *Fort Lauderdale* (Fla.) *Sun-Sentinel*. Among the other papers are the *Los Angeles Times*, *Philadelphia Inquirer*, *Boston Globe*, *Minneapolis Star-Tribune* and *Detroit News*, as well as papers in Houston; Dallas; San Francisco; San Jose, Calif.; St. Louis; Kansas City, Mo.; and Cincinnati.

Mr. Reed said TV Week Network will provide a central buying and billing source for advertisers.

He estimated 50% of the TV households are in the top 28 markets and that newspapers reach about 40% of the households, against much less for *TV Guide*.

TV Week Network will charge $70,000 for a page ad in the papers and plans to sell only b&w advertising. The network won't pitch package-goods marketers. That "is out of our purview and range of responsibilities," he said.

Mr. Reed said the network has been under consideration for more than a year and suggested the announcement's timing, less than a week after Mr. Murdoch's News Corp. announced plans to spend $3 billion to buy Triangle Publications, publisher of *TV Guide*, was coincidental.

The original announcement had been delayed by the Writers Guild of America strike.

Martin Singerman, president of News America Publishing, said through a spokesman that the newspaper TV magazines don't match up to the editorial or circulation quality of *TV Guide*.

He said *TV Guide* offers longer descriptions of programs, better quality paper, color advertising and a readership that's paying money specifically to see the magazine.

There's no guarantee that newspaper buyers actually read the paper's TV magazine, he said.

The announcement of the competition was the second piece of bad news for Mr. Murdoch last week.

New Audit Bureau of Circulations figures show *TV Guide*, which raised its cover price in January from 60¢ to 75¢, declined 2.1% in U.S. circulation during the first half of the year, dropping to third place *(see related story above)*.

TV Guide's ad pages were down 2.6% during the first six months of 1988, compared with a year earlier, though revenues rose 1.9%, according to the Publishers Information Bureau.

TV Week Network, which will start selling advertising immediately, will use five standardized formats, depending on a magazine's size. It will also offer advertisers the opportunity of buying just the Nielsen Market Research overnight markets or other combinations.#

Fleet Owner offers advertisers a unique concept in media selection—the total truck fleet market delivered in two separate editions.

McGraw Hill

Greyhound takes lead in ad productivity

By R. CRAIG ENDICOTT

Greyhound Corp. outsprinted Capital Cities/ABC to claim the top spot in advertising productivity growth among leading national advertisers for the first quarter of 1988.

The consumer products marketer pushed its ad productivity to $102.74, up 33.2% from the first quarter of 1987. That percentage growth outdistanced Cap Cities/ABC, which recorded a 31.8% growth in ad productivity.

Ad productivity, a critical measurement in determining the effectiveness of a marketing strategy, is derived from U.S. revenues generated by $1 of advertising.

This quarterly tabulation involves the monitoring of leading advertisers' sales and media advertising figures by ADVERTISING AGE. The first report in this new series appeared in the May 23 issue.

This time, Greyhound and Cap Cities/ABC emerged from a field narrowed to 15 contenders, each of which produced year-to-year gains in three criteria—measured media advertising, U.S. sales and U.S. revenues per $1 of advertising or ad productivity.

Only those with growth in all three criteria qualify for the top spot. The company with the biggest percentage gain in advertising productivity is crowned the winner.

Greyhound's ad productivity growth was largely sales-driven as the company posted U.S. revenues of $755.6 million, a 37.6% increase over first quarter 1987.

The company experienced growth in virtually all divisions, but first-quarter sales also benefited from the November acquisitions of Dobbs International Services, an in-flight catering company, and Dobbs House airport concessions, as well as the midyear 1987 buyout of North American Transit, the bus division of General Motors Corp.

Advertising from the 10 monitored media in this report increased 3.3% at Greyhound, which spent more than 80% of its measured media on its Dial Corp. lineup of toiletries and household products. That lineup includes Dial and Tone soaps, Purex and Brillo soap pads.

Also, Dial has acquired the household products business of U.S. Borax & Chemical Corp., marketer of Borateem dry bleach, Boraxo powdered hand soap and 20 Mule Team Borax.

Six of the 18 segments categorizing the 100 companies surveyed—chemicals & petroleum; retail; soaps & cleaners; wine, beer & liquor; tobacco; and miscellaneous—recorded gains in media advertising, U.S. sales and ad productivity over the year-earlier period when totals of their components were averaged.

Soaps & cleaners, a category highly influenced by Greyhound, netted an average $39.14 in ad productivity for the first quarter, a 13.4% gain over the year-earlier quarter that gave it the largest increase among categories.

Two other participants in that category, Clorox Co. and Colgate-Palmolive Co., each met with declines in ad productivity between the two quarters, while a third, Procter & Gamble Co., showed an ad productivity gain of 1.5%.

Airlines had the greatest positive percentage swing of 29.5% in ad productivity in the comparable quarters, a gain influenced by a 17% dip in advertising over the prior-year period.

Trans World Airlines was the only participant in the category to register a gain in advertising, while all but UAL Corp. showed growth in U.S. sales.

Greyhound also was one of 57

(Continued on Page 38)

Revenues per $1 in advertising expenditures for 100 leading national advertisers

Primary business	Advertiser	U.S. 1st qtr. ad spending 1988	U.S. 1st qtr. ad spending 1987	U.S. 1st qtr. sales 1988	U.S. 1st qtr. sales 1987	1st qtr. sales per $1 advertising 1988	1st qtr. sales per $1 advertising 1987	% chg.
AIRLINES	Texas Air Corp.	$19,996	$29,013	$2,126,191	$2,040,201	$106.33	$70.32	51.2%
	Delta Air Lines	16,529	18,319	1,623,721	1,380,257	98.23	75.35	30.4%
	UAL Corp.	21,135	30,607	1,680,148	1,898,422	79.50	62.03	28.2%
	AMR Corp.	29,692	34,594	1,768,294	1,358,402	59.55	39.27	51.7%
	Trans World Airlines	15,235	11,042	603,668	540,543	39.62	48.95	-19.1%
AUTOMOTIVE	Ford Motor Co.	96,867	99,323	16,580,000	14,480,000	167.50	145.79	14.9%
	General Motors Corp.	215,235	165,758	23,533,825	23,226,241	109.34	140.12	-22.0%
	Chrysler Corp.	163,559	120,851	7,015,190	5,486,390	42.89	45.40	-5.5%
CHEMICALS & PETROLEUM	E.I. du Pont de Nemours & Co.	23,894	18,697	5,514,480	4,918,320	230.79	263.06	-12.3%
	Mobil Corp.	22,255	20,828	5,116,360	4,321,600	229.90	207.49	10.8%
	Monsanto Co.	12,333	14,089	1,425,090	1,250,220	115.55	88.74	30.2%
	Dow Chemical Co.	29,695	25,247	1,831,260	1,386,900	61.67	54.93	12.3%
	American Cyanamid Co.	13,637	14,503	758,010	669,306	55.58	46.15	20.4%
ENTERTAINMENT & MEDIA	Gulf & Western	12,868	8,430	1,053,928	932,386	81.90	110.60	-25.9%
	Capital Cities/ABC	17,873	17,529	1,288,807	959,201	72.11	54.72	31.8%
	CBS Inc.	15,745	13,517	643,800	634,839	40.89	46.96	-12.9%
	MCA Inc.	18,640	3,516	482,858	421,245	25.90	119.80	-78.4%
	Time Inc.	51,567	46,526	1,011,790	892,050	19.62	19.17	2.3%
	Walt Disney Co.	38,262	20,924	743,543	677,824	19.43	32.39	-40.0%
	Warner Communications	19,554	11,466	311,443	283,841	15.93	24.76	-35.7%
FOOD	Borden Inc.	7,624	5,345	1,297,872	1,157,052	170.23	216.47	-21.4%
	Castle & Cooke	2,964	3,076	398,665	293,747	134.53	95.50	40.9%
	IC Industries	12,178	12,361	890,000	801,445	73.08	64.84	12.7%
	Geo. A. Hormel & Co.	8,362	10,111	535,729	556,944	64.07	55.08	16.3%
	Sara Lee Corp.	34,937	24,914	2,110,550	1,907,400	60.41	76.56	-21.1%
	Ralston Purina Co.	32,786	43,167	1,269,730	1,226,380	38.73	28.41	36.3%
	Kraft Inc.	62,922	44,353	2,137,760	1,840,640	33.97	41.50	-18.1%
	RJR Nabisco	116,455	103,044	3,800,000	3,500,000	32.63	33.97	-3.9%
	Philip Morris Cos.	189,078	202,825	4,992,840	4,522,260	26.41	22.30	18.4%
	Quaker Oats Co.	39,465	28,274	981,412	816,067	24.87	28.86	-13.8%
	Pillsbury Co.	55,654	49,621	1,346,130	1,374,210	24.19	27.69	-12.7%
	Campbell Soup Co.	48,417	39,719	990,068	925,206	20.45	23.29	-12.2%
	Hershey Foods Corp.	30,290	24,156	617,459	590,249	20.38	24.43	-16.6%
	CPC International	20,007	10,492	400,451	443,392	20.02	42.26	-52.6%
	H.J. Heinz Co.	42,059	26,685	822,550	735,287	19.56	27.55	-29.0%
	General Mills	88,767	65,406	1,357,078	1,232,622	15.29	18.85	-18.9%
	Kellogg Co.	87,587	58,091	700,264	609,280	8.00	10.49	-23.8%
	Wm. Wrigley Jr. Co.	26,145	21,849	152,884	130,913	5.85	5.99	-2.4%
MISCELLANEOUS	General Electric Co.	29,665	33,065	7,257,250	7,566,650	244.64	228.84	6.9%
	Goodyear Tire & Rubber Co.	7,314	8,109	1,500,000	1,322,000	205.09	163.03	25.8%
	Whirlpool Corp.	10,428	10,439	991,230	903,340	95.06	86.54	9.8%
	American Express Co.	46,453	36,910	4,374,000	3,321,000	94.16	89.98	4.6%
	Kimberly-Clark Corp.	13,028	14,342	905,800	828,240	69.53	57.75	20.4%
OFFICE EQUIPMENT	Xerox Corp.	9,272	2,753	2,368,100	2,406,600	255.42	874.30	-70.8%
	IBM Corp.	25,048	13,312	5,757,010	5,233,690	229.84	393.16	-41.5%
	Hewlett-Packard Co.	6,358	3,965	1,347,840	1,089,180	212.01	274.68	-22.8%
	Apple Computer	16,651	4,164	641,728	425,722	38.54	102.23	-62.3%
PHARMACEUTICALS	Pfizer Inc.	12,989	14,503	713,845	615,780	54.96	42.46	29.4%
	SmithKline Beckman Corp.	14,742	5,666	805,543	695,356	54.64	122.73	-55.5%
	Johnson & Johnson	55,807	68,190	1,317,270	1,129,170	23.60	16.56	42.5%
	Carter-Wallace	4,497	4,481	99,371	94,347	22.10	21.06	4.9%
	Bristol-Myers Co.	55,992	49,708	1,094,391	970,481	19.55	19.52	0.1%
	American Home Products	63,822	64,582	1,059,465	967,019	16.60	14.97	10.9%
	Schering-Plough Corp.	34,783	30,539	406,350	370,602	11.68	12.14	-3.7%
	Warner-Lambert Co.	54,365	53,434	519,609	454,617	9.56	8.51	12.3%
PHOTOGRAPHY	Polaroid Corp.	2,062	50	241,959	224,849	117.35	4,479.06	-97.4%
	Eastman Kodak Co.	57,432	49,839	2,529,508	2,017,952	44.04	40.49	8.8%
RESTAURANTS/FAST FOOD	McDonald's Corp.	79,746	82,213	2,533,992	2,306,864	31.78	28.06	13.2%
	Jerrico	6,324	6,134	154,562	147,940	24.44	24.12	1.3%
	Wendy's International	16,409	12,516	248,543	251,440	15.15	20.09	-24.6%
RETAIL	Wal-Mart Stores	3,549	4,132	4,308,140	3,230,588	1,213.87	781.88	55.2%
	Kroger Co.	13,239	15,243	4,316,000	3,956,000	326.01	259.53	25.6%
	American Stores	12,880	10,135	3,598,887	3,447,278	279.42	340.13	-17.8%
	Dayton Hudson Corp.	16,653	12,160	2,543,500	2,153,100	152.73	177.07	-13.7%
	K mart Corp.	40,604	24,656	5,841,800	5,594,400	143.87	226.90	-36.6%
	Sears, Roebuck & Co.	84,942	78,576	12,160,000	10,479,500	143.16	133.37	7.3%
	J.C. Penney Co.	21,486	25,577	3,047,040	3,095,040	141.82	121.01	17.2%
	Lucky Stores	12,870	8,075	1,630,176	1,754,100	126.67	217.24	-41.7%
	VF Corp.	5,642	5,285	554,196	540,778	98.22	102.32	-4.0%
	May Department Stores Co.	36,562	37,268	2,279,000	2,340,000	62.33	62.79	-0.7%
	Tandy Corp.	14,936	16,595	827,401	766,054	55.40	46.16	20.0%
SOAPS & CLEANERS	Greyhound Corp.	7,354	7,120	755,563	549,170	102.74	77.13	33.2%
	Clorox Co.	16,446	13,923	325,535	295,882	19.79	21.25	-6.9%
	Colgate-Palmolive Co.	37,632	26,109	725,000	655,000	19.27	25.09	-23.2%
	Procter & Gamble Co.	217,336	191,612	3,207,600	2,786,520	14.76	14.54	1.5%
SOFT DRINKS	Pepsico Inc.	114,374	99,982	2,235,900	1,974,900	19.55	19.75	-1.0%
	Coca-Cola Co.	60,879	43,442	878,900	728,500	14.44	16.77	-13.9%
TELEPHONE	Southwestern Bell Corp.	4,517	3,574	2,000,000	1,880,000	442.82	526.07	-15.8%
	GTE Corp.	9,057	6,998	3,705,000	3,515,000	409.07	502.28	-18.6%
	ITT Corp.	11,034	10,874	3,800,000	3,420,000	344.38	314.51	9.5%
	Ameritech	7,464	7,921	2,416,100	2,300,500	323.70	290.44	11.4%
	BellSouth	9,735	8,987	3,130,000	2,946,900	321.53	327.91	-1.9%
	Bell Atlantic Corp.	10,095	13,122	2,500,000	2,464,800	247.65	187.84	31.8%
	Pacific Telesis Group	9,361	7,743	2,308,000	2,133,000	246.56	275.49	-10.5%
	Nynex Corp.	18,364	10,136	3,070,700	2,891,400	167.22	285.27	-41.4%
	American Telephone & Telegraph Co.	86,948	62,320	8,098,530	7,877,370	93.14	126.40	-26.3%
	MCI Communications Corp.	14,306	7,214	1,131,000	955,000	79.06	132.38	-40.3%
	US Sprint Communications	12,908	9,925	759,474	615,051	58.84	61.97	-5.0%
TOBACCO	Loews Corp.	14,852	12,417	2,496,942	2,100,998	168.13	169.20	-0.6%
	American Brands	11,560	11,693	1,015,000	770,000	87.80	65.85	33.3%
TOILETRIES	Avon Products	7,501	5,605	370,600	318,300	49.41	56.79	-13.0%
	Gillette Co.	19,296	20,160	352,209	297,219	18.25	14.74	23.8%
	Alberto-Culver Co.	11,624	7,431	118,378	97,300	10.18	13.09	-22.2%
	Noxell Corp.	23,048	28,094	124,609	114,469	5.41	4.07	32.7%
TOYS	Mattel Inc.	5,910	6,333	88,662	99,546	15.00	15.72	-4.6%
	Hasbro Inc.	18,608	15,237	209,006	203,880	11.23	13.38	-16.1%
WINE, BEER & LIQUOR	Seagram Co. Ltd.	13,028	12,918	496,504	441,013	38.11	34.14	11.6%
	Brown-Forman Co.	9,305	10,239	350,090	346,338	37.62	33.83	11.2%
	Anheuser-Busch Cos.	92,729	81,500	2,260,000	2,110,000	24.37	25.89	-5.9%
	Adolph Coors Co.	27,391	20,217	287,133	266,879	10.48	13.20	-20.6%

NOTES: Dollars are in thousands except revenues per $1 in ad spending which are in real dollars. Sources: First-quarter ad spending from Broadcast Advertisers Reports/Leading National Advertisers and Radio Expenditure Reports. Figures include magazine and newspaper spending from Publishers Information Bureau and Media Records as reported by LNA; spot TV, network TV, syndicated TV, cable TV networks and network radio spending as reported by BAR; outdoor spending as reported by LNA; and spot radio spending as reported by Radio Expenditure Reports. Revenues are for U.S. sales only and are AA estimates based on worldwide first quarter (calendar) revenues and annual U.S. revenues as a percent of worldwide revenues. (See story.)

AA chart: Kevin Brown. Sales data compiled by Norma Green.

Counting on ethnic agencies

Census bureau aims to fill gaps

By JANET MEYERS

WASHINGTON—The U.S. Bureau of the Census is the latest government advertiser to use targeted, regionalized advertising and promotion to get its message across.

For the 1990 census, the bureau for the first time has hired black and Hispanic ad agencies (AA, Aug. 8), stepped up its local corporate sponsorship programs and adopted the non-traditional communications practices the U.S. Immigration & Naturalization Service used in its recent amnesty program.

The census bureau plans to spend $73 million on advertising and promotion for the 1990 census, more than triple its 1980 spending of $21 million.

That spending includes salaries of full and part-time regional promotion staff, who will solicit corporate sponsorships for poster contests and parades to encourage people to return census forms.

The Advertising Council again will be used for a public service campaign, with national creative work by Ogilvy & Mather, New York.

The national campaign will use the theme "Put yourself in the picture."

Mingo Group and Castor Spanish International will create ads targeting black and Hispanic audiences.

The census bureau is looking for an Asian agency to reach Oriental residents, primarily in the West.

The problem is that ethnic groups are less likely to send in their census forms, said Peter Bounpane, a census assistant director. More than 5% of blacks and Hispanics were overlooked in 1980, compared with 1% of the general population.

Advertising by O&M and Mingo was recently tested in St. Louis.

The campaign targeted at blacks is a mini-music video, featuring a cameo appearance by singer Al Green. The theme is "Stand right up for who you are."

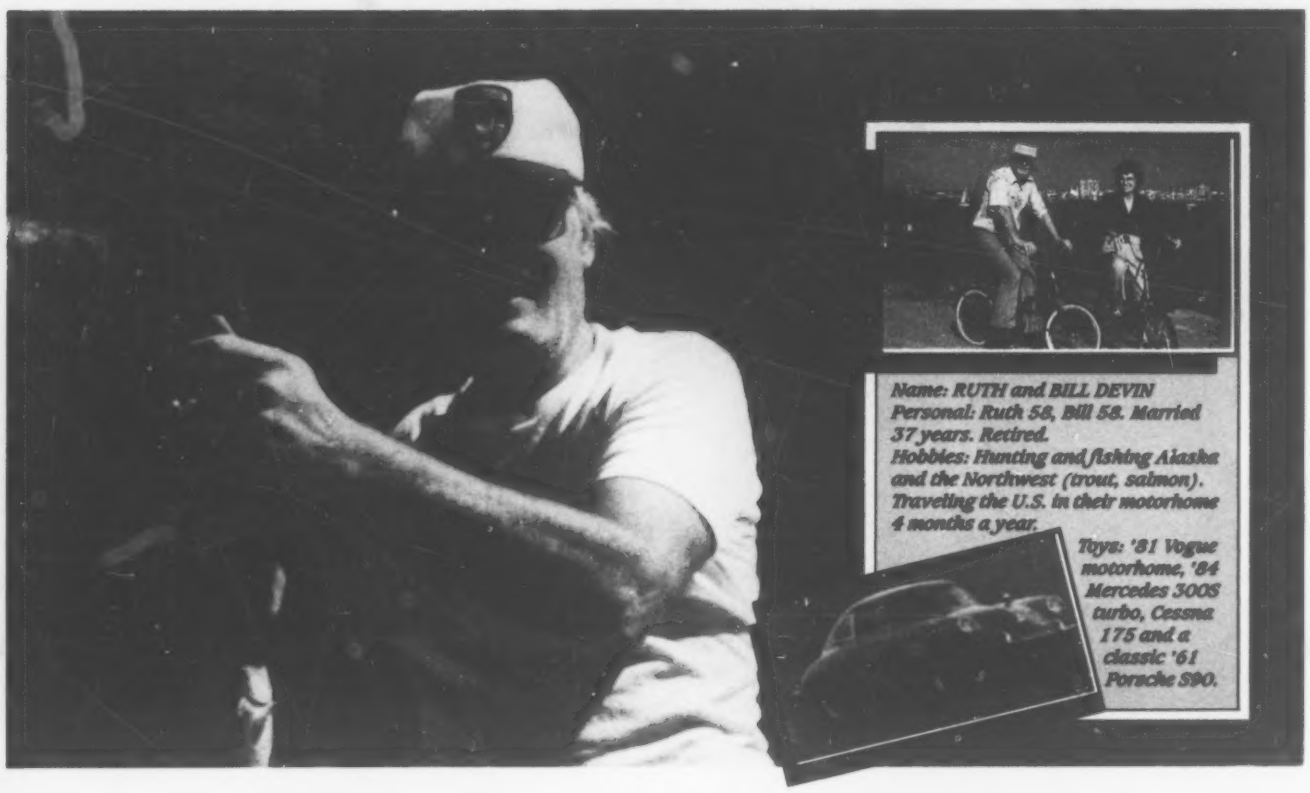
The Hispanic ads are still being developed. The bulk of the ads are expected to be released in January 1990.

The bureau will devote more funds this time to local promotion, said Mr. Bounpane, spending about $52 million on grass-roots activities, almost four times the 1980 census' $14 million.

Local promotion was critical for the INS, which found that its national ad campaign failed to reach illegal aliens who might qualify for citizenship.

The INS switched its tactics after several months and showed more success by staging local parades, stuffing tortilla packages and taking other non-traditional approaches.

Mr. Bounpane hopes similar methods will work for the census. He believes ethnics who might be wary of filling out government papers can be convinced they won't be harmed by supplying information.#


Name: RUTH and BILL DEVIN
Personal: Ruth 58, Bill 58. Married 37 years. Retired.
Hobbies: Hunting and fishing Alaska and the Northwest (trout, salmon). Traveling the U.S. in their motorhome 4 months a year.
Toys: '81 Vogue motorhome, '84 Mercedes 300S turbo, Cessna 175 and a classic '61 Porsche 590.

We Have 1.5 Million Readers Who Are Hooked On Sports.

(And that's no fish story!)

The man who travels the continent just to hunt and fish the perfect spot, pilots his own Cessna, and raced his '61 Porsche in a PCA Autocross Competition at 47, isn't about to hang it up at 58.

That's why Bill Devin and his wife, Ruth, are two of our 1.5 million *Trailer Life/MotorHome* seniors you should be talking to. Not just because they're members of the most prosperous senior market in history. But also because they've enjoyed years of prosperity, activity and fun. And they don't intend to stop.

Because RVing is the heart of our audience's lifestyle, they're naturally hooked on sports. 75% own fishing equipment. 31% own golf equipment. 29% own outboard motors. Nearly half own some type of boat.

As the dominant magazines in the RV field, our *Trailer Life/MotorHome* combination can deliver you the senior you want. The active, affluent senior who can afford to spend as much as $250,000+ on an RV.

If your product belongs outdoors, it belongs in our magazines. Where you can reach the active, affluent senior who lives the outdoor life. For more information on why our market and our magazines are right for your message, call Jim Mac. (219) 295-7820, Elkhart, IN.

Trailer Life/MotorHome
The active senior travels with us.

Source: 1987 Trailer Life/MotorHome Subscriber Study conducted by John Schug Media Research

Greyhound ads most productive

(Continued from Page 30)

companies to increase advertising from fourth quarter 1987 to first quarter 1988, though that number might have been less had national newspaper spending been available for these companies in the fourth quarter. It's included only in first-quarter figures.

Greyhound also was one of only 41 companies that recorded sales growth in the consecutive periods. Typically, first-quarter sales don't match the holiday-infused totals of the fourth quarter.

Wal-Mart Stores hit the highest growth in ad productivity and Polaroid Corp. hit the lowest.

Wal-Mart grew 55.2% in the year-to-year period, to $1,213.87 per $1 in advertising, reflecting a 33% increase in U.S. sales, but a 14.1% decrease in advertising kept it from reaching the final round of contenders.

Polaroid, fending off a takeover attempt, dropped 97.2% in ad productivity as sales increased 7.6% and advertising grew to $2.1 million from a mere $50,000.

Polaroid traditionally spends little in the first quarter, but its first quarter 1987 totals were affected further by the court-ordered departure of Eastman Kodak Co. from the instant camera business, making Polaroid the lone player in the market.

AD AGE's measurement is designed to be a window to a marketer's ad spending efficiency tracked over time.

Also, an advertiser's ability to sustain this movement in ratio-building over time helps demonstrate efficiency in media spending methods.

AD AGE's measurement is the flip side of advertising as a percentage of sales—the industry's standard measuring tool reflecting annual budget allocations.

The sales-per-$1-advertising index is able to pick up sudden swings in sales, media advertising, special promotions, seasonality of spending, year-to-year fluctuations and quarterly cumulatives—all of which lead to the annualized A/S ratio that depicts the company's advertising-to-sales journey for the year.

Companies charted in this quarterly report are among AA's 200 leading national advertisers and are both public and U.S.-based. Quarterly periods approximate a January-March time frame.#

If the client only knew . . .

DATA BANK — Computers

Treat the client right

Personal computer ad agencies and the machines they use

Agency, location	Client	Approximate number of PCs in use: IBMs	Macintoshes	Compaqs	Commodores	Ataris	AT&Ts
BBDO Worldwide, New York	Apple Computer	14	700	0	0	0	0
Chiat/Day, Venice, Calif.	Apple Computer (1/81-5/86)	5	400	0	0	0	0
DDB Needham Retail, San Francisco [1]	Atari Corp.	0	6	0	0	1	0
Ogilvy & Mather, New York	AT&T	13	100	5	0	0	250
Griffin Bacal, New York	Commodore Computer	1	0	3	23	0	0
Ogilvy & Mather, Houston	Compaq	1	1	30	0	0	0
Leo Burnett, Chicago	Hewlett-Packard	NA	NA	NA	NA	NA	NA
Lord, Geller, Federico & Einstein, New York	IBM (pending review)	180	4	0	0	0	0

Source: Agencies, Ad Age survey
Note: NA indicates data not available. [1] DDB Needham Retail is the agency of record for games only. Atari handles computer advertising in house. Also, figures given are for DDB Needham Retail's San Francisco office only. [2] Commodore computers listed include 16 PCs and 7 Amigas.

Research by Alan Brody

Agencies try to use the products they tout for clients. But often it's not possible to get results without sitting down at a computer made by—gasp—the competition.

At Lord Geller Federico Einstein, IBM's agency of record that is embroiled in a dispute over the account with breakaway shop Lord Einstein O'Neill & Partners, a peculiar legacy remains of their past together.

LGFE has more than 180 IBM PCs. And it houses a Macintosh.

According to sources at the agency, LGFE maintains an electronic publishing center that was established in the days when Art Einstein, a former agency principal, took a keen interest in the emerging desktop publishing phenomenon. Because IBM in those days had no graphical interface and offered no desktop publishing solution, he helped choose a Macintosh and LaserWriter, the basic tools required to participate in the "revolution."

When Aldus PageMaker became available for the PC, LGFE began using IBMs. But even with Art Einstein having left the agency, they haven't been able to get rid of the Macintosh.

It remains in the agency with a photocopied IBM logo covering the rainbow Apple. Because IBM's laser printer, the Personal Pageprinter, doesn't work with the IBM AT the agency uses for desktop publishing, staffers have found a machine that does: the Apple LaserWriter that Mr. Einstein brought into the agency.

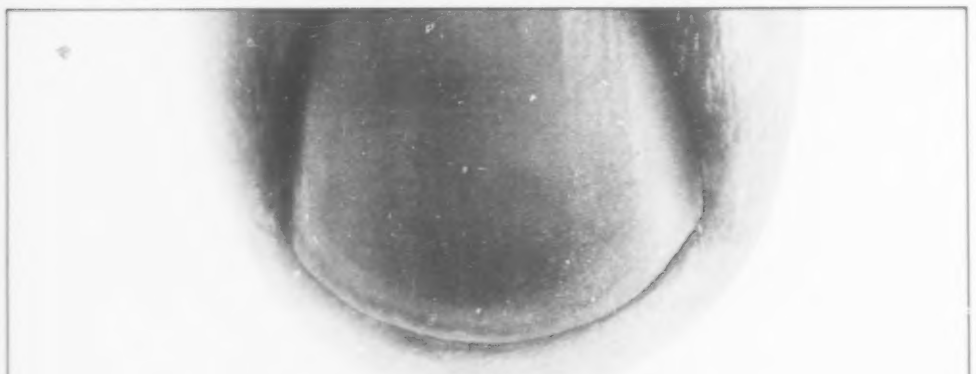
But LGFE is not alone. No agency interviewed has been able to maintain brand purity when it comes to its clients' computers.

When BBDO began purchasing microcomputers it almost seemed as if it anticipated its next client, Apple Computer, which was then at Chiat/Day. "Before we pitched Apple we had over 120 Macintoshes," says Damian Pezzano, director of the computer systems department. The act of faith paid off when BBDO won the account; the agency now has more than quadrupled the number of Macs in the agency.

BBDO has not only networked its Macs within each agency, but by using a mainframe and an outside satellite-based system, Macs are also networked internationally.

"You can send anything," says Mr. Pezzano, referring to electronic mail messages, copy

(Continued on Page S-18)



AdWare makes agency accounting just this easy.

With AdWare computer software, just a touch of the keyboard gives you instant, simplified information on billables, payables, receivables, estimates, job status, budgets, and more. Including profit and loss statements for your agency and your clients.

In addition AdWare offers a complete line of other fully-integrated advertising agency modules to simplify your business and increase productivity. Like Traffic, Production, Print and Broadcast Media and more.

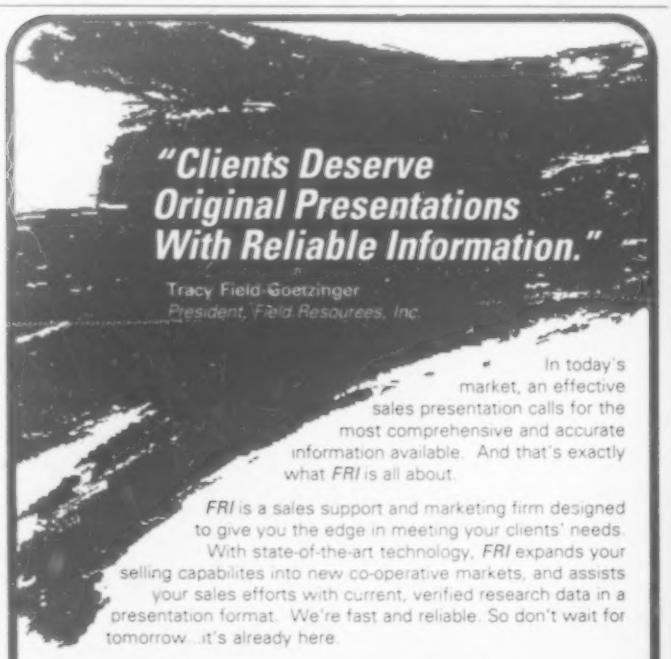
No wonder IBM selected AdWare Software Systems to be their Business Partner for advertising solutions.

For all the details about the software system designed by advertising professionals for any-sized advertising agency, get in touch with us today.

You're invited to attend: Automation in Advertising
A seminar and exhibition from AdWare and IBM.
September 28, 1988, 590 Madison Avenue
Phone: 502-637-6644

AdWare. IBM Business Partner

ZML Software Systems, Inc. • P.O. Box 1137 • Louisville, KY 40201



In today's market, an effective sales presentation calls for the most comprehensive and accurate information available. And that's exactly what *FRI* is all about.

FRI is a sales support and marketing firm designed to give you the edge in meeting your clients' needs. With state-of-the-art technology, *FRI* expands your selling capabilites into new co-operative markets, and assists your sales efforts with current, verified research data in a presentation format. We're fast and reliable. So don't wait for tomorrow...it's already here.

FRI features comprehensive assistance in:

- *Media Research, Including Outdoor Advertising*
- *Comprehensive Co-operative Advertising Services*
- *Graphic Design/Corporate Identity*
- *Complete Newsletter Promotion System*
- *Full-Color Sales Presentation and Proposal Production*
- *Media Planning*

Field Resources, Inc.
P.O.Box 8051
Lexington, KY. 40533-8051

Sales Support Hotline
606-276-2630
800-543-9505

FRI

Welcome to 'Blue Blood Estates'

By Len Strazewski

Clever names and clear graphics may help sell a system, but nothing succeeds like success in convincing doubters.

At Perpetual Savings Bank in Alexandria, Va., even the crustiest low-tech branch managers are taking notice of the value of computerized market data, according to Research Manager Daniel Dudley.

Len Strazewski is a Chicago-based writer and frequent contributor to Special Report.

The network of 73 branch savings & loans in the Washington, Maryland and Virginia areas has been using Claritas' PRIZM for more than two years—with outstanding results, Mr. Dudley says.

One direct-mail campaign for a single branch drew $15.5 million in new deposits in six weeks, he says, with a response rate many times the company average. The 14,000-piece mailing generated a 7% overall response rate and from affluent, older investors, a target group chosen from PRIZM data files, the response rate topped 14%.

"Our usual overall response rate for a campaign like this is 1% or 2%," Mr. Dudley says. "With results like that, even managers who have doubted the value of computerized market research . . . take notice."

As a result, Mr. Dudley says his office has been swamped with calls for data for new branch campaigns; even senior bank managers have started to use PRIZM in strategic planning.

Perpetual also uses PRIZM to help target media. Mr. Dudley wouldn't reveal the bank's advertising budget, but he claims the overall spending is much less than similar-sized competitors because of the way PRIZM data is used to target prime markets, particularly through direct-mail campaigns.

"We keep track of our aided and unaided awareness with regular surveys, and since we've been using PRIZM as part of our advertising and media buying, our unaided awareness levels have been growing dramatically—without much of an increase in spending," he says.

In the last two years, overall unaided awareness has grown from 3% to 10%, he says.

At Claritas, marketer of the popular PRIZM lifestyle cluster data base, understandable personal computer software has become a major priority.

"We want to be click-friendly," explains President Bruce Carroll, referring to the click made by a computer "mouse," which allows users to point directly to functions outlined on a computer screen. Claritas' Compass software—introduced in June—allows users to access geographic market data by pointing at any area on a computer-generated map. By defining small areas, users can access data that is more focused and segmented, Mr. Carroll says.

The PRIZM data base has also been designed for easier understanding, Mr. Carroll notes. Instead of labeling lifestyle clusters with age, sex or income demographics, Claritas uses catchy nicknames such as "Blue Blood Estates," "Furs and Station Wagons," "Bohemian Mix," "Norma Rae-ville" and other labels.

The nicknames, Mr. Carroll says, help express what the data reveals, rather than burdening the user with numbers that that may confuse executives. "Our goal is to take market information out of the classroom and get it into the streets where it can be used," he says.

If the client only knew . . .

(Continued from Page S-2)

or digitized graphics images. Staffers have even used the Macs as interfaces to the agency management software that runs on IBM mainframes. The agency has more than 700 Macs nationally plus 500 overseas, as well as 14 IBMs and PC compatibles, a testament perhaps to its client's commitment to connectivity.

Initially, says Mr. Pezzano, the Macs "got into the account department much more quickly than in the creative. There has been some resistance in the creative. But the younger people have been more willing, and color has made a big difference." Now there are many people in the agency doing layouts and desktop presentations. BBDO creative staffers have moved extensively into animatics using VideoWorks by MacroMind Inc. and Dimensions by Visual Information.

Ogilvy & Mather uses its clients' machines but has two different computer clients at two different locations.

The New York office has the AT&T account and uses 250 AT&T 6300s, 100 Macs, 13 IBM PCs and 5 Compaq computers.

In the Houston office, where O&M handles the Compaq computer account, the proportions are reversed and Compaq is the machine of choice.

When Chiat/Day lost the Apple account it hung onto its Macintoshes. The agency even has a Macintosh manager, Cliff Hughes, who says Chiat/Day has more than 400 Macintoshes and about seven IBM PCs worldwide. Most of the machines were bought during the heyday of the Apple account.

Locking into a particular manufacturer's equipment is described as a being part of the "installed base." Once a company is outfitted with a significant amount of one system it becomes too expensive to switch and the only real choice is to add machines from the original manufacturer.

On the other hand, it is never easy to describe Macs in traditional computer terms and it may be that Chiat/Day really did like the client's product.

"We think the Macs are wonderful," says one Chiat/Day insider. "We wouldn't be able to get along without them."

—Alan Brody

IBM nibbles at creatives

(Continued from Page S-1)

pany selling to agencies like DDB and Ogilvy & Mather," says Bruce Jacquemard, product marketing manager. Largely in government and accounting, only 5% of their business is with agencies and they reach them through general ads for Legend software.

Like other hardware vendors, IBM does not have exclusive ads for agencies. But IBM will use ads and direct mail in a fall seminar for an estimated 300 senior ad agency executives. Titled "An Executive Advertising Conference" and held at IBM's Madison Avenue office, the session will include McCann-Erickson's CEO Bob James speaking on, "Technology: Key to the Advertising Agency of the 1990s."

Agency management and a simulation of creatives at work will be showcased.

So far, manufacturers of IBM compatible computers including Compaq and Hewlett-Packard have not targeted the ad agency market directly.

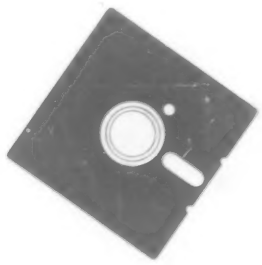
A new area complementing page layout is desktop presentations, which Apple's Mr. Mowery says "may ultimately be bigger." Sales of presentation software have risen from 125,000 units on the IBM and 50,000 on Apple in 1985 to 250,000 and 120,000 respectively in 1988. In 1989 sales are expected to grow 20% for IBM and 50% for Apple.

Steve Jobs, the former driving force behind Apple, is readying NeXT, a workstation for academia, but ad people, among them Jordan McGrath Case & Taylor's VP-Creative Director Peter Farrago, believe, "I fully expect he is going to bring out a new creative tool."

Associate editor Kevin Brown coordinated this report on Computers.

Coming

Next week ADVERTISING AGE's Special Report will focus on **Sports Marketing.**



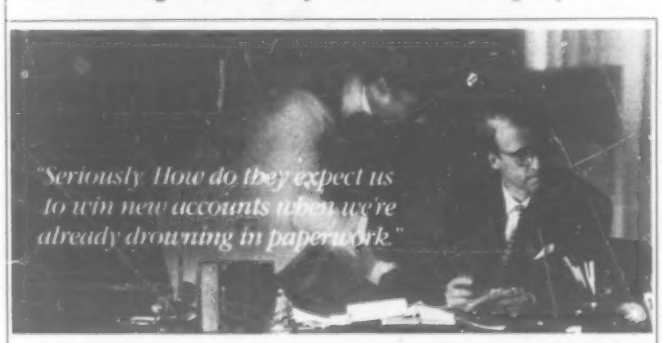
Instant know what.

Know what account service costs are? Know which employees are most profitable? What media billing will be in future months? Know if you're within approved client estimates? Know your profitability by client, by job? With The Adman System of PC software you can know what is going on in your business and have more time to spend on your clients' business. Know what? Over 800 agencies have selected The Adman System. Find out what they know: **Call 317-630-5480.**

Adman®

The undisputed leader in ad agency PC software

Microbase Software, Inc.
Landmark Center • 1099 N. Meridian Street
Suite 260 • Indianapolis, IN 46204



A busy agency has no place for prehistoric equipment. Graphics, media and account information must be processed with utmost efficiency. Which is exactly what you can expect from AT&T. We offer a complete line of personal and minicomputers, software, phone systems and long distance services, all designed to link your desktops. Across the street or across the world. Enabling your people to work faster and smarter. Automatically.

To find out more, contact your AT&T Account Executive. Or call 212 605-5884.

AT&T
The right choice.

© 1988 AT&T